



U.S. ATTORNEY'S QUARTERLY

IRONWORKERS MEMBERS ADMIT TO CRIMINAL ACTS



Inside this issue:

Civil Settlements	2
U.S. Attorney's Outreach	3
Crime & Punishment	4

In September, six members of the Ironworkers Local 401 pleaded guilty to their roles in a RICO conspiracy that involved committing arson to damage construction sites and extorting or attempting to extort non-union contractors to hire union labor.

Specifically, Francis Sean O'Donnell, of Warminster, PA, pleaded guilty to RICO conspiracy, conspiracy to maliciously damage property by means of fire, and attempted maliciously damaging property by means of fire. During the offense conduct, O'Donnell acted as a business agent for the Ironworkers Local 401 and participated in more than 10 extortions or attempted extortions with the intent to force non-union contractors to hire union labor. O'Donnell recruited other members of the Ironworkers Local 401, whom he called his "Shadow Gang," to assist him in these crimes. If a contractor refused to hire union labor, O'Donnell and the "Shadow Gang" typically would enter a non-union construction site at night, use sledgehammers to destroy anchor bolts, and cause tens of thousands of dollars in damage.

William Gillin, of Philadelphia, PA, pleaded guilty to RICO conspiracy, maliciously damaging property by means of fire, use of fire to commit a felony, conspiracy to maliciously damage property by means of fire, and attempted maliciously damaging property by means of fire. Gillin admitted that he participated in the Quaker Meetinghouse arson, an arson on Grays Avenue in Philadelphia,

and an attempted arson in Malvern as well as other episodes – all in retaliation for the contractors' failure to hire union ironworkers.

James Walsh, of Philadelphia, PA, pleaded guilty to RICO conspiracy, two counts of maliciously damaging property by means of fire, conspiracy to maliciously damage property by means of fire, two counts of use of fire to commit a felony, and attempted maliciously damaging property by means of fire. Walsh admitted that he participated in the Quaker Meetinghouse arson, an arson on Grays Avenue in Philadelphia, and an attempted arson in Malvern as well as other episodes – all in retaliation for the contractors' failure to hire union ironworkers.

Greg Sullivan, of Philadelphia, PA, pleaded guilty to conspiracy to maliciously damage property by means of fire, and Hobbs Act Extortion. Sullivan participated in the Grays Avenue arson and the attempted arson in Malvern.

Edward Sweeney, of Philadelphia, PA, pleaded guilty to RICO conspiracy, use of fire to commit a felony, maliciously damaging property by means of fire, conspiracy to maliciously damage property by means of fire, and attempted maliciously damaging property by means of fire. Sweeney admitted that he participated in 10 incidents of extortion or attempted extortion. Sweeney further admitted his involvement in the Quaker Meetinghouse arson, an arson on Grays Avenue in Philadelphia, and an attempted arson in Malvern, as well as other episodes, all of which were in retaliation for the contractors' failure to hire union

ironworkers.

Shawn Bailey, of Philadelphia, PA, pleaded guilty to Hobbs Act Extortion for his participation in an extortion of a non-union contractor working on a warehouse on Grays Avenue in Philadelphia.

Daniel Hennigar, of Philadelphia, pleaded guilty to maliciously damaging property by means of fire. James Zinn, of Philadelphia, pleaded guilty to conspiracy to commit extortion which interferes with interstate commerce.

Sentencing hearings for these defendants are scheduled for dates in January and February of 2015. Each defendant could be sentenced to a substantial term of imprisonment, as well as fines and restitution.

Trial is scheduled to begin in January of 2015 for four remaining defendants.

SETTLEMENTS ANNOUNCED IN HEALTHCARE MATTERS

In September, pharmaceutical company Shire Pharmaceuticals LLC agreed to pay \$56.5 million to resolve allegations that it violated the False Claims Act as a result of its marketing and promotion of several drugs, including Adderall XR, Vyvanse, and Daytrana, which are approved for the treatment of attention deficit hyperactivity disorder (ADHD), and Pentasa and Lialda, which are approved for the treatment of mild to moderate active ulcerative colitis. The settlement resolves allegations that, between January 2004 and December 2007, Shire promoted Adderall XR for certain uses despite a lack of clinical data to support such claims and overstated the efficacy of Adderall XR, particularly relative to other ADHD drugs. Among the unsupported claims allegedly made by Shire was that Adderall XR was clinically superior to other ADHD drugs, because it would "normalize" its recipients, rendering them indistinguishable from their non-ADHD peers. Shire allegedly stated that its competitors' products could not achieve similar results, which the Justice Department contended was not shown in the clinical data Shire collected. Shire also allegedly marketed Adderall XR based on claims that Adderall XR would prevent poor academic performance, loss of employment, criminal behavior, traffic accidents, and sexually transmitted disease. In addition, Shire allegedly promoted Adderall XR for the treatment of conduct disorder, an indication not approved by the Food and Drug Administration (FDA).

The settlement further resolves allegations that, between February 2007 and September 2010, Shire sales representatives and other agents also allegedly made false and misleading statements about the efficacy and abuse liability of Vyvanse to state Medicaid formulary committees and to individual physicians. Additionally, the settlement resolves allegations that, from April 2006 to September 2010, Shire representatives improperly marketed Daytrana, administered through a patch, as less abusable than traditional, pill-based medications. Finally, the settlement resolves allegations that, between January 2006 and June 2010, Shire sales representatives promoted Lialda and Pentasa for off-label uses not approved by the FDA and not covered by federal healthcare programs. Specifically, the government alleged that Shire promoted Lialda off-label for the prevention of colorectal cancer.

As a result of the \$56.5 million settlement, the federal government will receive \$35,713,965, and state Medicaid programs will receive \$20,786,034. The Medicaid program is funded jointly by the federal and state governments. In addition, Shire has separately reached agreement with the U.S. Department of Health and Human Services (HHS) Office of the Inspector General on a Corporate Integrity Agreement, which will address the company's future marketing efforts.

In August, the United States announced that it settled claims, under the False Claims Act, with Albert Einstein Healthcare Network and Fornance Physician Services, for improperly billing federal health care programs for services submitted on behalf of Dr. Michael C. Roman, D.O. Einstein and Fornance voluntarily disclosed the allegations and have agreed to pay \$348,854.00 to resolve the matter.

According to the self-disclosure and the investigation that followed, between November 10, 2010 and January 25, 2012, bills were submitted to federal health care programs for services that were allegedly performed by Dr. Roman and were actually performed by resident physicians where Dr. Roman was not appropriately performing teaching physician services; bills were submitted for services performed by Dr. Roman where there was not sufficient documentation to support the billable service; and some bills were submitted that were upcoded. Based on this self-disclosure false claims were submitted to the government. After it discovered the problem, Einstein and Fornance took corrective action to resolve the improper payments and disclosed the matter to the United States Attorney's Office.

Political Operative Pleads

Political consultant Gregory Naylor, of Philadelphia, pleaded guilty to making false statements to federal agents and misprison of a felony in connection with his role in attempting to conceal two campaign finance-related fraud schemes. Naylor helped conceal the theft of federal grant funds and private charitable funds that were used to repay an illegal campaign debt incurred by longtime friend and former employer "Elected Official A" during a 2007 campaign for elected office. Naylor was aware that large amounts of money from an unexplained source were being spent on Elected Official A's campaign. Naylor helped conceal the source of those funds by preparing a false invoice. He also agreed to the falsification of campaign finance reports to further conceal Elected Official A's activities. Sentencing is scheduled for December.

Sex Trafficking Brothers Sentenced

Brothers Rahim McIntyre and Rashaad McIntyre, both of Philadelphia, were sentenced for their operation of separate prostitution businesses each of which involved the sex trafficking of minors. Rahim McIntyre was sentenced to 22 years and 10 months in prison for three counts of sex trafficking. He ran a prostitution business in Philadelphia and other major cities between early 2006 and late 2012, recruited unsuspecting girls and then psychologically manipulated them to comply with his demands through physical violence. A federal jury found McIntyre guilty on April 21, 2014 of using force and coercion to cause the women to engage in prostitution. His brother, Rashaad McIntyre, was sentenced the following month to 22 years in prison for sex trafficking minors and production of child pornography. He pleaded guilty on July 1, 2013. Between December 1, 2011 and June 10, 2012, McIntyre recruited, coerced, forced, or threatened three teenaged girls into prostitution. He advertised the 15 and 16-year olds on an Internet website known as Backpage.com and caused the minors to engage in sexual acts with numerous adult men at hotels in Philadelphia. He collected 100% of the girls' profits from performing commercial sex acts.

ALLEGED DRUG TRAFFICKING MEMBERS ARRESTED IN CHESTER

In September, more than 30 alleged drug traffickers were arrested in a sweep by federal, state, and local law enforcement on charges of distributing drugs in and around the city of Chester, PA. The operation targeted alleged members of the violent Rose and Upland Drug Trafficking Group ("DTG") and coincided with the unsealing of 14 indictments charging 40 people. The group is charged with selling drugs, illegally carrying guns and stashing both drugs and guns in a neighborhood playground.

The main indictment is a 261-count superseding indictment that charges 22 of the 40 defendants with operating a drug market within the Rose and Upland neighborhood on the east side of Chester City. According to the indictment, William Dorsey ran the operation, sold multiple kilograms of cocaine, often in the form of crack, to members of the group and others. One of the group's largest alleged cocaine and heroin suppliers, Paris Church, has been charged in five separate indictments alleging that he, along with others, distributed and attempted to obtain approximately 25 kilograms of cocaine for re-distribution.

According to the superseding indictment, members of the DTG who sold cocaine hid the drugs in various "stash" locations in order to avoid having drugs on them if they were stopped by police. Those stash locations included playgrounds, abandoned houses, alleyways, trash cans, mailboxes, windowsills, and other locations in the neighborhood. Members of the RU DTG controlled the drug sales in the Rose and Upland geographic territory and did not permit non-group members to sell drugs in that area. To protect their territory and drug trafficking activities, members routinely carried, and sometimes used, loaded firearms or had firearms available in hidden locations, including their stash locations.

According to the superseding indictment, the DTG was distributing cocaine, crack cocaine, and heroin to customers in their territory and elsewhere between September 2012 and 2014. Charged with Dorsey are: Donald Womack, Sr., Paris Church, Braheem Edwards, Naim Butler, Ronell Whitehead, Michael Lewis, Breon Burton, JaVaughn Anderson, Robert Duson, Spencer Payne, Satchel Johnson, Alonzo Jones, Jamear McGurn, Classie Mae Dorsey, Herman Purnell, Dondre Ellis, Erven Towers-Rolon, John Dennis, Charles Stansbury, Waali Shepherd, and Kareem York. The defendants are also charged with maintaining a drug house, possessing firearms in furtherance of drug trafficking crimes, and distributing cocaine, crack and heroin within 1,000 feet of area schools and a playground. Some of the defendants are also charged with being felons in possession of firearms. During the investigation, 15 firearms were recovered.

Several other individuals are charged in separate indictments with drug trafficking conspiracies and other drug distribution offenses. Included in those indictments are: Kareem Bannister, George King, Nathaniel Coles, Lamont Carter, Rafael Hunt-Irving, Michael Pinkney, Solomon Whitaker, Shmeca Melvin, Anthony Floyd (of North Carolina), Steven Miller (of Maryland), Anthony Potter, Shawn Mills, Tiffany Beauford, Farud Gigetts, Avery Mosley, Al-Ghani Rasheed, Steven Crews, and LaQuan Allen.

Outreach This Quarter

STRAWBERRY MANSION

On September 20, 2014, the U.S. Attorney's Office helped Strawberry Mansion High School kick off the first home game for the school's first Varsity football team in its 50 year history. The community was invited to participate in a Pep Rally and Tailgating Party before the inaugural home game and to stay to cheer on their home team.



REENTRY COURT

Federal Reentry Court (also known as STAR, or Supervision to Aid Reentry) held its 12th graduation on July 9th. A total of 10 graduates from the program received accolades from their respective sentencing Judges as well as from U.S. District Court Judge L. Felipe Restrepo and U.S. Magistrate Court Judge Timothy Rice. Philadelphia Mayor Michael Nutter was the guest speaker and addressed the group of graduates, congratulating them on their completion of the program and encouraging them to continue to strive for success. The Reentry Court Team awarded certificates of recognition to the Working Film Establishment and Philadelphia Lawyers for Social Equity. The team also awarded a certificate of recognition to program graduate, Cornell Drummond, who has mentored many program participants since his completion of the program. Since its inception in 2007, there have been over 131 graduates of Federal Reentry Court. The program continues to maintain a low revocation rate for graduates (11%) and all participants (18%) while also forging new partnerships to assist participants.



CRIME & PUNISHMENT:



CHARGED:

July 2014:

Joseph Villante, of Philadelphia, a vice president and relationship manager at Republic First Bank, was charged with soliciting approximately \$110,000 from a bank customer as a reward for assisting the customer in obtaining two loans from the bank.

August 2014:

An indictment was unsealed charging Chaka Fattah, Jr., of Philadelphia, in a scheme to defraud banks and the Internal Revenue Service of hundreds of thousands of dollars. The indictment charges that between 2005 and 2012, Fattah, Jr.: made false statements to banks to obtain loans; made false statements to banks and the Small Business Administration to settle loans for less than what was owed; filed false federal income tax returns; failed to pay federal taxes; and stole from the Philadelphia School District, which had received federal funds for its operations.

Robert Coppack, of LaVerne, California, was charged by information with interference with a flight crew. The Information alleges that from May 13, 2014, to May 14, 2014, Coppack intimidated and assaulted flight crew members and flight attendants on a US Airways flight traveling from Philadelphia to London, and interfered with their duties and performance.

September 2014:

Shawn Robinson, of Enola, PA, and Neil Robinson, of Bensalem, PA, were charged with conspiracy to traffick in and illegally import counterfeit sports jerseys and trafficking in counterfeit goods. The father and son allegedly imported and sold more than 8,500 counterfeit sports jerseys that they bought

from unauthorized manufacturers in China. These included baseball, football, hockey, and basketball jerseys, and each had a counterfeit trademark of the sports league on the jersey.

Angelica Leonore Delmoral, of Reading, PA, was charged with six counts of making false statements to federal firearms licensees. The indictment charges that the defendant straw purchased ten pistols for E.K.B., a convicted felon, between July 19, 2011 and July 23, 2011. Delmoral allegedly bought ten pistols and ammunition from five gun dealers. Delmoral turned over each pistol and any ammunition to E.K.B. and Person #1, who took the handguns to New York City.

CONVICTED:

July 2014:

Tianna Edwards, of Philadelphia, pleaded guilty to wire fraud in connection with a scheme to defraud the Pennsylvania Department of Public Welfare. In 2008, Edwards had a criminal record which would have prohibited her from obtaining a license to operate a child day care facility. In order to circumvent the requirements she forged documents to open "Tianna's Terrific Tots." Edwards received from DPW approximately \$1,459,470.25 in fraudulent payments to Tianna's Terrific Tots and spent the money on lifestyle expenses and gambling, as well as business expenses.

Christian Dior Womack, a/k/a "Gucci Prada," of Chester, PA, pleaded guilty to all counts in connection with sex trafficking females for prostitution. Womack operated a prostitution venture, recruiting young females. He used physical violence, coercion, and threats to maintain

the participation of the females. He pleaded guilty to sex trafficking of a minor and sex trafficking by force.

Jorry Senestant, of Phila., pleaded guilty to the unauthorized access of an account belonging to an employee of a local university. Senestant took the employee's bank account number and used the stolen information to transfer \$13,000 into his own account at the university for the purpose of paying his tuition.

August 2014:

Andy O. Rodriguez, of Allentown, PA, pleaded guilty to defrauding the IRS of more than \$2.9 million in fraudulent tax refunds. Rodriguez pleaded guilty to 23 counts of making false claims against the United States, admitting that he knowingly filed false tax returns claiming refunds in the names of other individuals. The IRS identified more than 600 false returns that were associated with this scheme.

September 2014:

Joseph C. Waters, Jr., of Philadelphia, pleaded guilty to using his judicial position to influence the outcome of two cases in the Philadelphia Municipal Court. Waters was a Philadelphia Municipal Court Judge when he was asked to use his judicial office to achieve a favorable outcome in a small claims case. Waters called two other Municipal Court judges assigned to the case, on different dates, and asked them to rule in favor of one of the parties involved.

SENTENCED:

July 2014:

James Mickens, of Philadelphia, was sentenced to 11 years in prison for his participation in a large scale drug organization. Mickens was a US Airways bag-

gage claim handler at the Philadelphia International Airport when he used his Airport secured access card to smuggle hundreds of thousands of dollars in drug proceeds through the Airport in order to avoid detection by law enforcement. Mickens also made multiple trips to California for the drug organization, where multiple kilograms of cocaine and hundreds of pounds of marijuana were purchased and transported back to Philadelphia as checked luggage.

August 2014:

Reynaldo Estrada, of Brookhaven, PA, was sentenced to 51 months in prison for stealing the identities of numerous patients of a local hospital as part of a tax fraud scheme. While working for Crozer Chester Medical Center in Chester, Estrada stole treatment authorization forms containing patients' names, addresses, dates of birth, and Social Security numbers. The information was used to file fraudulent federal income tax returns claiming bogus refunds in excess of \$1.7 million.

September 2014:

Evens Claude, of Philadelphia, PA, was sentenced to 17 years and eight months in prison for aggravated identity theft, bank fraud, access device fraud, counterfeit currency fraud, and conspiracy. Claude organized and ran two identity theft and counterfeit currency rings which looted the credit and bank accounts of 48 individual victims and caused losses of over \$609,210 to 26 corporate victims. Claude used his criminal proceeds to purchase real estate, a Maserati, a BMW, a Ferrari, and to rent a luxury apartment.

You can find press releases about the cases we charge on our website:

www.justice.gov/usao/pae